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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

UNITED STATES OF AMERICA,) NO. 23-CR-473-CRB-1
)
Plaintiff,) UNITED STATES' SENTENCING
) MEMORANDUM
v.)
) Judge: Hon. Charles R. Breyer
MILTON JOEL VARELA ARTEAGA) Date: August 6, 2025
a/k/a AXEL ARTEAGA MEDINA,) Time: 10:00 a.m.
)
Defendant.)

I. INTRODUCTION

Defendant Milton Arteaga (age 29) pleaded guilty to Counts 2 and 3 of the captioned indictment charging him with Possession with Intent to Distribute 40 Grams and More of Fentanyl on two separate occasions. PSR ¶ 2. Arteaga is a fentanyl trafficker who was arrested for possessing large quantities of fentanyl with intent to distribute on three occasions in 2023. During a May 2023 search warrant at his former Oakland residence, police arrested Arteaga after finding over 1 KG of fentanyl, 2 KG of methamphetamine, and over \$70,000 in cash. On June 28, 2023, Arteaga was arrested again by police after they found over 2 KG of fentanyl in the trunk of his car and over \$12,000 in cash in the backseat as

it was leaving the Oakland Airport. On November 29, 2023, Arteaga was arrested a third time when police seized over \$13,000 in cash from during a search warrant at his residence and over 500 grams of fentanyl from a Mercedes controlled by Arteaga and his girlfriend. For context, as little as 2 milligrams (.002 grams) of fentanyl can be a lethal dose depending on a drug user's body weight and drug tolerance.

During the period when Arteaga committed the crimes charged in the indictment, he was unlawfully present in the United States. Arteaga is a Honduran citizen. PSR at 2. He was removed from the United States by Immigration and Customs Enforcement in January 2018, and no record of legal re-entry has been found. PSR ¶ 45. Arteaga was arrested on November 29, 2023. PSR ¶ 5. Arteaga was ordered detained pending trial by the magistrate judge after a series of detention arguments. Dkt. 39.

II. SENTENCING GUIDELINES CALCULATIONS

As reflected in the plea agreement (Dkt. 64 at 5) and the PSR, the parties and U.S. Probation calculate the Sentencing Guidelines for Arteaga's offense as follows:

a.	Base Offense Level, U.S.S.G. § 2D1.1(a)(5), (c)(2)	36
b.	Acceptance of Responsibility:	-3
c.	Zero-point Offender, U.S.S.G. § 4C1.1	-2
d.	Adjusted Offense Level	31

PSR ¶¶ 21-30. Arteaga has no prior criminal history points. PSR ¶¶ 32-39. His total offense level is 31; and he is CHC I with advisory sentencing guidelines of 108-135 months. PSR ¶ 59.

III. DISCUSSION

The Court must impose a sentence sufficient, but not greater than necessary, to reflect the seriousness of the offense, promote respect for the law, and provide just punishment; to afford adequate deterrence; to protect the public; and to rehabilitate the defendant. 18 U.S.C. § 3553(a)(2); *United States v. Carty*, 520 F.3d 984, 991 (9th Cir. 2008). The Guidelines are “the starting point and the initial benchmark.” *Gall v. United States*, 552 U.S. 38, 49 (2007).

Section 3553(a) sets forth factors that the Court must consider in determining an appropriate sentence: (1) the nature and circumstances of the offense and the defendant's history and characteristics; (2) the purposes of sentencing; (3) the kinds of sentences available; (4) the Guidelines range for

sentences; (5) any pertinent policy statements; (6) the need to avoid unwarranted sentencing disparities; and (7) the need to provide restitution to any victims. 18 U.S.C. § 3553(a); *Carty*, 520 F.3d at 991. Although the Guidelines are not binding, they “reflect a rough approximation of sentences that might achieve section 3553(a)’s objectives.” *Rita v. United States*, 551 U.S. 338, 350 (2007).

A. Offense Conduct

During a May 2023 search warrant at the defendant’s former Oakland residence, police seized over 2 kilograms of fentanyl, over 1.3 kilograms of methamphetamine, around 344 blue fake Oxycodone pills, around 287 rainbow-colored fake Oxycodone pills, heroin, cocaine, crack, and \$70,470 in cash that Arteaga admits was the proceeds from his narcotics sales. PSR ¶ 8. The defendant’s girlfriend was present during the May 2023 state search warrant. *Id.* In a post-*Miranda* interview, Arteaga admitted that the drugs were his and that he routinely sold drugs in the Tenderloin neighborhood of San Francisco between 6:00 P.M. and 3:00 or 4:00 A.M. in the early mornings. *Id.*

On June 28, 2023, Arteaga was arrested again when Alameda County Sheriff deputies stopped his car as it was leaving the Oakland Airport. PSR ¶ 10. Police found over 2 kilograms of fentanyl in a backpack in the trunk of the car (as well as methamphetamine, fake oxycodone pills, heroin, and cocaine base) and over \$12,000 in cash in the backseat, which Arteaga admits in his plea agreement was the proceeds of narcotics sales. *Id.*



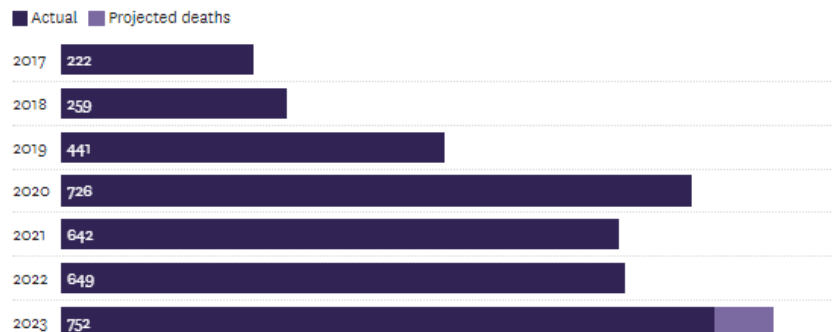
Arteaga and his co-defendant Jose Medina Murillo—who was also in the car—were arrested. *Id.* Arteaga and Medina’s phones were seized incident to arrest. *Id.* On Arteaga’s phone, agents found a selfie photo of Arteaga, photos of large quantities of suspected fentanyl and methamphetamine, and

1 chats with contacts relating to the distribution of narcotics. PSR ¶ 12.

2 On November 29, 2023, during a federal search warrant at Arteaga's apartment on Bancroft
3 Avenue in Oakland, agents encountered Arteaga and his girlfriend. PSR ¶ 13. In their bedroom, agents
4 found roughly \$13,265 in cash and the keys to a black Mercedes. *Id.* Arteaga's partner told agents that
5 the black Mercedes was parked around the corner. *Id.* Agents found roughly 531 grams of suspected
6 fentanyl powder during when they searched the black Mercedes. *Id.* Arteaga was arrested. *Id.*

7 The defendant was more than a Tenderloin street drug dealer. The large fentanyl amounts seized
8 from Arteaga and the over \$96,000 in cash seized from his residences and his vehicle in 2023—
9 combined with the over \$244,000 deposited into his partner's bank account between February 2022 and
10 his arrest in November 2023—demonstrate that Arteaga had connections to large fentanyl suppliers and
11 greatly profited from the fentanyl trade at a time when San Francisco was seeing the highest number of
12 overdose deaths ever recorded in the city.

Deaths from accidental drug overdoses in San Francisco



The 2023 figures are preliminary and subject to change.

Source: Office of the Medical Examiner, Center on Substance Use & Health

21 Roughly 80% of overdose deaths in San Francisco were linked to fentanyl.¹

22 B. Other 3553 Factors

23 The defendant is a 29-year-old man from Honduras. PSR at 2. He claims to have first entered
24 the United States in 2017. PSR ¶ 45. Arteaga was deported from the United States in January 2018 and
25 at some point thereafter re-entered the country without authorization. PSR ¶ 45. Arteaga has three

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27 ¹ Maggie Angst and Christian Leonard, "S.F. Surpasses Deadliest Year for Drug Overdoses. This is the
28 Grim Toll," *San Francisco Chronicle*, December 14, 2023, <https://www.sfchronicle.com/sf/article/sf-drug-deaths-18553010.php>; see also City and County of San Francisco, "Preliminary unintentional overdose deaths by month," <https://www.sf.gov/data--preliminary-unintentional-drug-overdose-deaths>.

1 children (age 9, age 6, and age 3) with different partners. His children live in Los Angeles, Tijuana, and
2 Honduras. PSR ¶ 46. The defendant reported completing roughly six years of school in Honduras.
3 PSR ¶ 53. Arteaga reported that he became addicted to cocaine by age 21 and used cocaine daily since
4 his arrival in the United States. PSR ¶ 52.

5 **IV. CONCLUSION**

6 In accordance with the parties' plea agreement (Dkt. 64 at 8) and based on the defendant's
7 determination to continue selling the deadly drug fentanyl and other dangerous drugs despite repeated
8 arrests by local law enforcement, the government respectfully recommends that the Court sentence
9 Arteaga to 108 months in prison, 4 years of supervised release, and the terms and conditions
10 recommended by U.S. Probation.

11
12 DATED: July 30, 2025

Respectfully submitted,

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United States Attorney

15 /s/
16 DANIEL PASTOR
17 KEVIN YEH
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